



ARMY ACQUISITION REFORM



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“CENTERS AND SATELLITES”

Implementation Moving Along

A Functional Area Assessment (FAA) of the contracting function selected a MACOM “*centers and satellites*” approach as the *best contracting organization* to support Force XXI. It requires MACOMs to develop and identify their main centers and satellites for consolidation of contracting actions, and to regionalize all negotiated contract actions over \$500,000 at one or more “centers.” MACOMs have the option of consolidating lesser value contracts as well. “Centers and satellites” *implementation* is moving along well at *Forces Command (FORSCOM)* where savings have exceeded initial projections of \$7M for Fiscal Year 1997 by more than \$8M. In its plan, FORSCOM expected an average of 6.3 percent savings on *master* contract consolidations, 5.1 percent on *regionalized* contracts and an additional 5.4 percent quality improvement savings on all contracts transferred to the centers. To date, these planning factors have proven achievable and savings are estimated to exceed \$41M by Fiscal Year 2001.



A ribbon cutting ceremony on 21 October 1997 marked the official opening of the Military District of Washington Acquisition Center (MDWAC) which will solicit and award all MDW acquisition actions over \$250,000 and handle all master contracts for like supplies and services within the MDW. Its satellites at Forts Meade, Meyer, A.P Hill, and Hamilton will focus on responsive customer support. MDWAC anticipates savings of \$12M by Fiscal Year 2001 with this approach.